

***IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TENNESSEE
NORTHERN DIVISION AT KNOXVILLE***

IN RE:

GERALD L. DEARDORFF,

Debtor,

Case No. 13-32729

Chapter 7

MICHAEL H. FITZPATRICK, TRUSTEE,

Plaintiff

v.

Adversary Proceeding No. 14-03015

DEBRA K. TURNER,

Defendant.

ANSWER TO COMPLAINT

Comes the Defendant, Debra K. Turner, by and through counsel, and submits the following Answer to the Complaint filed in this Adversary Proceeding, as follows:

1. Admitted.
2. Admitted.
3. Admitted.
4. Admitted.
5. Admitted.
6. Upon information and belief, the allegations of Paragraph 6 are admitted.
7. It is admitted that on April 22, 2010[not April 2, 2010] Gerald Deardorff

[Debtor] conveyed to Debra K. Turner, [step-daughter and Defendant] a one-half

undivided interest in and to property located in Grainger County, Tennessee, which is of record in Book IN325, Page 672 of the Register's Office of Grainger County, Tennessee.

8. It is admitted the Debtor did not receive any monetary value as consideration for the conveyance inasmuch as it was the wish of Irene Deardorff, wife of Gerald Deardorff [Debtor] and mother of Debra K. Turner [Defendant], that the property go to her daughter and the Quit-Claim Deed conveys a right of survivorship between Gerald Deardorff and Debra K. Turner.

9. Denied as stated. The Debtor retained a one-half undivided interest in and to the property with a right of survivorship.

10. It is denied that the transfer is a violation of Tennessee Uniform Fraudulent Conveyance Act pursuant to Tenn. Code ann. 66-3-301, et seq, and Tenn. Code Ann. 66-3-308(a)(1), and strict proof is demanded, for the following reasons:

a) there was no actual intent to hinder, delay or defraud any creditor of the Debtor by this conveyance which occurred over 3 years and 3 months before the date of the filing of Debtor's Bankruptcy Petition;

b) there was no contemplation of filing Bankruptcy in 2010 when the Quit-Claim Deed was made;

c) the Debtor maintained a one-half undivided interest in and to the property and a right of survivorship;

d) the Quit-Claim conveyance was an effort to carry out the wishes of the Decedent Irene Deardorff so that her daughter Debra K. Turner would have a home to raise her grandchildren. Debra K. Turner adopted twin girls who were born to her sister,

but the sister was unable to care for them. The children are now 13 years old, and have resided in the home located on the property at issue since the death of Irene Deardorff who died intestate February 8, 2010.

e) the conveyance does not satisfy the “badges of fraud” set out in *In re Travis Hicks, Debtor; George W. Stevenson, Ch. 7 Trustee v. Marie Hodgson Hicks*, 176 B.R. 466, 470 (1995), used to assist trial courts in determining a debtor’s intent for fraudulent conveyance purposes.

11. Any and all allegations not specifically denied are here and now denied as though specifically denied, and strict proof is demanded.

AND NOW HAVING ANSWERED, Defendant prays as follows:

1. That the Complaint filed against her be dismissed; and
2. For all further general relief to which she is entitled.

Respectfully submitted,

/s/ Janie Kaufman
Janie Kaufman, Esq.
BPR NO. 027341
Attorney at Law
340 Water Street
Rutledge, Tennessee 37861
janiekaufman@comcast.net
Phone: 865-828-3133

CERTIFICATE OF SERVICE

I, the undersigned, hereby certifies that on the 26th day of June, 2014, a true and correct copy of the Answer to Complaint has been served in the following manner:

Email by Electronic Case Noticing to:

Ryan E. Jarrard, Esq.
Michael H. Fitzpatrick, Chapter 7 Trustee

By U.S. Postal Service, postage prepaid to:

/s/ Janie Kaufman
Janie Kaufman, Esq.
BPR NO. 027341
Attorney at Law
340 Water Street
Rutledge, Tennessee 37861
janiekaufman@comcast.net
Phone: 865-828-3133